

17 JAN 1984

## MEMORANDUM FOR THE RECORD

SUBJECT: The 1984 Agenda for the House Post Office/Civil Service Committee as Seen from the Minority Staff Viewpoint

1. Based upon several, and continuing, discussions with a member of the minority staff of the House Post Office and Civil Service Committee, an anticipated 1984 minority legislative agenda has begun to emerge. Please be mindful that this is how the 1984 Committee agenda is beginning to take shape, but only from the minority viewpoint. Additional meetings have been or are being set up with various of the majority Committee and relevant Sub-committee staff over the next two or so weeks. Majority viewpoints will be reported separately, and, to the extent that I think the minority can impact the majority agenda, I will attempt to identify the issues on which they can do so.

2. The Minority Staff has currently developed four issues that its members will pursue in early 1984. They are:

- i.a two-tier cost of living allowance (COLA) for federal employees;
- ii.a compromise with Ms Oakar on H.R.656, which proposes changes to the Federal Employee Health Benefits Program (FEHBP);
- iii.a series of hearings (4 or 5 days) on supplemental retirement planning (the Hay Associates effort which, by the way, the minority is not happy with); and
- iiii.a concerted attempt, following up on the hearings cited above, to influence the course of the Hay Assoc effort.

3. The first issue above, that of a two-tier COLA for federal employee retirement entitlements, will be a near mirror-image of the COLA provisions proposed by Congressman Erlenborn (R,IL) in H.R.3751, the first of three bills in his Federal Annuity and Investment Reform Program (FAIR) package introduced in early August 1983. The Office of Personnel Management (OPM) is authoring this legislation and will request that it be introduced on its behalf. It will be

sponsored either by Rep Taylor (R, MO), the ranking minority member of the Committee, or by Rep. Dannemeyer(R,CA). The bill will call for:

full COLA on the first \$9,600 of retirement pay, which is what Social Security annuitants are entitled to, and;

only 55% or 60% of the full COLA increase for all retirement pay in excess of \$10,000.

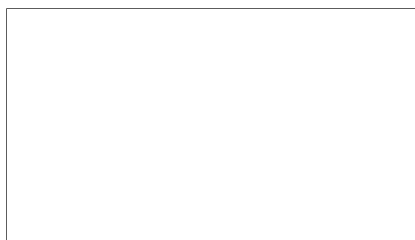
3. The second issue above, H.R.656, is a Federal Employee Health Benefits Program (FEHBP)-related bill introduced by Ms. Oakar (D, OH). The Minority Staff will try to negotiate with Ms. Oakar's subcommittee staff director those changes to H.R. 656 that OPM insists upon, that is, those provisions contained in H.R. 3798. At this point, this is an internal House Post Office/Civil Service Committee matter, the outcome of which we are probably not in any position to influence.

4. The third item represents the first of many Committee hearings on supplemental retirement legislation. These hearings, over a three or four day period in late February, will be designed strictly for the edification and education of Committee members. Some twenty or so individuals or groups will be invited to testify. Hay Associates, performing under contract to the Committee, will utilize the data gathered in this and other such hearings to facilitate its effort.

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6. Based upon the late February hearings on supplemental retirement, the Committee minority is planning to develop a strategy to influence the directions of the Hay Associates effort that they oppose. They will implement this strategy as quickly and as often as they can.

7. I will follow up this meeting with similar sessions with the Committee majority staff and with the majority staff director of the subcommittee with jurisdiction (Compensation and Employee Benefits) in order that we obtain as balanced a view as possible



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